

# RULE

## Department of Social Services Office of Family Support

### Food Stamp Program.Deduction of IRS Processing Fee (LAC 67:III.2005)

The Department of Social Services, Office of Family Support, has amended the Louisiana Administrative Code, Title 67, Part III, Subpart 3, Food Stamps.

The agency currently refers certain delinquent Food Stamp claims to the Internal Revenue Service (IRS) for the purpose of offsetting federal income tax refunds. In compliance with 7 CFR 273.18 (g)(5)(iv)(C), beginning with the 1997 offset year which affects tax returns from prior years, the IRS processing fee is being added to the amount of the delinquent claim and that amount is deducted from the individual's tax refund. The processing fee had previously been paid by the agency. Advance rulemaking is needed because the agency is required to notify individuals of claim actions at least 60 days in advance.

#### Title 67

#### SOCIAL SERVICES

#### Part III. Office of Family Support

#### Subpart 3. Food Stamps

#### Chapter 19. Certification of Eligible Households

#### Subchapter P. Recovery of Overissued Food Stamp Benefits

#### §2005. Collection Methods and Penalties

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D. The agency may collect any type of overissuance by using means other than allotment reduction or cash repayment. One of these means is the referral to the Internal Revenue Service of delinquent food stamp claims of previous food stamp recipients for the purpose of offsetting federal income tax refunds. Effective with the 1997 offset year, the IRS processing fee will be added to the claim and that amount will also be deducted from the individual's income tax refund.

E. Before the agency takes action to reduce a household's allotment in order to recover overissued benefits, the household may elect to repay the benefits.

1. The household responsible for overissuance due to an intentional program violation is allowed 10 days to choose between cash repayment or a reduced allotment.

2. The household responsible for overissuance due to an inadvertent error by the household is allowed 20 days to choose between cash repayment or a reduced allotment.

AUTHORITY NOTE: Promulgated in accordance with F.R. 48:6837 et seq., P.L. 97-35, 97-253, 101-624 §1746, and 102-237 §911, 7 CFR 272, 273, 276 and 277.

HISTORICAL NOTE: Promulgated by the Department of Health and Human Resources, Office of Family Security, LR 9:323 (May 1983), amended by the Department of Social Services, Office of Family Support, LR 18:1133 (October 1992), LR 20:391 (April 1994), LR 20:780 (July 1994), LR 20:898 (August 1994), LR 22:000 (July 1996).

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